ANNUAL REPORT

of the

ALBERTA DAIRY CONTROL BOARD

for the year

1986 – 1987

Alberta
AGRICULTURE

ANNUAL REPORT

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for the fiscal year

ending March 31, 1987

ALBERTA DAIRY CONTROL BOARD

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Authority and Mandate

The Alberta Dairy Control Board is a Crown Corporation, operating under the authority of the Dairy Board Act.

The purpose of the Dairy Board is to control and regulate the sale of milk in Alberta. The Board's responsbilities cross all three sectors of the industry; fluid milk, industrial milk and cream.

Membership of the Board consists of three active dairy producers, one consumer representative and a full time Chairman. The Chairman reports directly to the Minister of Agriculture. The Board has employed ten full time staff to administer dairy policy within Alberta.

The Alberta Dairy Control Board is one of the signatories to the Comprehensive Milk Marketing Plan (the National Plan governing the production of industrial milk in Canada). The Board has accepted the responsibility of administering market share quota, collecting the appropriate levies and remitting them on behalf of Alberta producers. Mike Dordevic, Chairman, represented Alberta on the Canadian Milk Supply Management Committee, responsible for balancing milk production with domestic and export demand.

Dairy policies are developed with the objective to provide efficient producers and processors of milk and cream an opportunity of obtaining a fair return for their labor and investment. Of equal importance is that of providing consumers of dairy products with a continuous supply of high quality dairy products at reasonable prices.

The Board has a responsibility to establish the producer price for milk used in all classes except class I. Under authority in the Dairy Board Act the responsibility is given to the Public Utilities Board to establish the price for class I milk.

Introduction

This is the first Annual Report exclusively published by the Alberta Dairy Control Board. In previous years the Board's report was combined with that of the Dairy Division of Alberta Agriculture.

The dairy industry in Alberta during 1986-87 remained relatively stable. Sales of fluid milk products were comparable to a year earlier with a moderate increase of 0.89 percent. Cream sales increased 2.5 percent; 2% partly skimmed milk sales increased 1.6 percent; skim milk sales increased 17.2 percent. Skim milk and 2% partly skimmed milk sales have reached a combined share of the market totalling 71.7 percent.

The number of active producers at March 31, 1987 were: fluid milk 1324; industrial milk 220; and cream 834 for a total of 2378 compared to 2537 a year earlier, representing a decrease of 6.3 percent.

Total production under market share quota amounted to 101.57 percent of the provincial entitlement during the period August 1, 1985 to July 31, 1986. Producers received a refund of over-quota levies paid on deliveries up to 107.3 percent of market share quota. Production to March 31, 1987 indicates Alberta's allotment will be adequately filled.

The Board operated a fluid milk equalization pool for Alberta fluid milk producers. The program enabled producers to share the fluid milk returns, regardless of location or source of sales. The program completed its twelfth year.

The Graduated Entry Program remained on hold until appropriate regulation changes are made.

Producer returns for industrial milk advanced $ .80/hl on August 1, 1986 ending at $39.68/hl. Fluid milk producers realized price changes on class I milk of $ 0.98/hl decrease April 15, October 1 and December 1,

1986, ending at $48.13/hl. Factors contributing to the formula triggering downward were mainly; the cost of dairy concentrate, hay price and the crow offset benefit paid on feed grains.

The Board staff maintained compliance with the Dairy Board Act and regulations under the Act. Staff availed themselves to several other Divisions of Alberta Agriculture, Agri-business and other agencies to ensure service to the dairy industry was at the highest possible level.

The Board, in turn, enjoyed the cooperation of processors, dairy producers, Alberta Milk Producers' Association, other industry groups and Alberta Agriculture during the past vear.

The Board's policy respecting producer quota transfers remained consistent with that of the previous year.

ALBERTA DAIRY CONTROL BOARD

BOARD MEMBERS

M. Dordevic (Chairman)	----Wetaskiwin
Mrs. J. Chorny (Consumer)	----Calgary
R. Cameron (Producer)	----Millet
J. Hunter (Producer)	----Medicine Hat
A. Kastelic (Producer)	----Sangudo
L.G. Johnston (Secretary-Manager)	----Wetaskiwin

BOARD STAFF

B.A. Allen (Inspector)	----Airdrie
W. Vonk (Inspector)	----Wetaskiwin
W. Shupenia (Accountant)	----Wetaskiwin
B.A. Lock (Market Share Clerk)	----Wetaskiwin
Jo-Anne Dumont (Secretary)	----Airdrie
Emma Elliott (Secretary)	----Wetaskiwin
Marj Loov (Secretary)	----Wetaskiwin
Denice Monaghan (Secretary)	----Wetaskiwin
Maria Siegl (Secretary)	----Lethbridge

Operations

A. Fluid Milk

The Dairy Board licenced 1324 fluid milk producers, 16 processors and 28 distributors of fluid milk during 1986-87.

Fluid milk quotas were set, adjusted and transferred during the year in a manner that kept 944,410 litres of fluid quota to producers who delivered milk to the fluid plants.

Utilization of all milk received by processors was reported to the Board. The utilization and production figures were used to determine quota and over-quota prices each month to be paid to producers. Through the fluid milk equalization pool the Board collected money from some processors and paid to others in a manner that allowed all producers to be paid the same amount per hectolitre of quota and over-quota milk as their fellow dairymen. 1987 was the twelfth year of operating the equalization pool.

The Dairy Board compensated those producers who participated in the dairy cost study. The cost study was used to compare to the fluid milk pricing formula used by the Public Utilities Board. The cost study data demonstrated whether or not producers are earning a reasonable rate of return for their investment and management.

B. National Milk Marketing Plan

The Dairy Board appointed a Market Share Quota Policy Committee. Membership on the committee was from the Alberta Milk Producers' Association, an industrial milk producer assigned to an independent plant, a cream producer, a producer from Northern Alberta Dairy Pool Ltd., and one from Central Alberta Dairy Pool Ltd., two processor representatives (one independent and one co-operative processor), one

non-voting Alberta Agriculture representative as well as the Chairman of the Dairy Board. This committee made recommendations to the Dairy Board on matters relating to the Milk Market Sharing Plan.

The Board developed dairy policy in consultation with the Quota Committee, the Alberta Milk Producers' Association, Alberta Dairymens Association and input from individual producers. The policy respecting market share quota remained consistent with previous policy.

The Board operated a Quota Exchange during the year. This Exchange, one for unused the other for used, allows producers to transfer market share quota to other producers in the province. There was slightly less than 1 percent of the provincial MSQ transferred in this manner. The purpose of the Quota Exchange is to allow producers to balance small differences between production and quota in a manner that prevents loss of quota due to underdeliveries, payment of over-quota levies or major management changes simply to protect quota.

During the fiscal year approximately 6 percent of the provincial MSQ changed hands via complete herd and quota transfers.

Producers who delivered less than 90 percent of MSQ during the period ending July 31st had their quota adjusted to reflect the ability to deliver. Despite the underdeliveries by a few producers the provincial allotment was exceeded by 1.57 percent.

The number of industrial producers continued to decline combined with a major reduction in the number of cream producers would suggest possible shortage of deliveries to MSQ. This shortfall has been more than met by fluid milk producers who continue to deliver well above their fluid quotas.

The milk utilized for industrial purposes in Alberta remained around the 55 percent level with liquid milk and cream representing 45 percent of provincial production.

FINANCIAL STATEMENTS

of the

ALBERTA DAIRY CONTROL BOARD

1. Balance Sheet

2. Income Statement

3. Due From and to Processors and Producers

ALBERTA DAIRY CONTROL BOARD

BALANCE SHEET

AS AT MARCH 31, 1987

	1987	1986
ASSETS		
Operating:		
Current:		
Cash	634,510	598,172
Term Deposits	-	37,943
Due from Processors and Producers	339,840	483,935
Cash on Hand	865	-
	975,215	1,120,050
Trust:		
Cash	595,390	517,283
Due from Processors	1,296,688	1,405,871
	1,892,078	1,923,154
	2,867,293	3,043,204
LIABILITIES & RETAINED EARNINGS		
Operating:		
Current:		
Due to Processors and Producers	294,872	544,894
Due to Province of Alberta	29,544	59,306
Accounts Payable	5,681	5,951
	330,097	610,151
Retained Earnings	645,118	509,899
	975,215	1,120,050
Trust Liabilities	1,892,078	1,923,154
	2,867,293	3,043,204

ALBERTA DAIRY CONTROL BOARD

STATEMENT OF REVENUE, EXPENDITURE AND RETAINED EARNINGS

FOR THE YEAR ENDED MARCH 31, 1987

	1987	1986
REVENUE		
Levies	259,843	259,100
Management fees	235,369	218,900
Quota Exchange and transfers	5,664	10,030
	500,876	488,030
Term Deposit Interest	25,169	-
Miscellaneous	26	-
	526,071	488,030
EXPENDITURE		
Salaries and employee benefits	301,134	338,667
Travel	34,585	46,960
Grants and subsidies	31,885	31,512
Board fees	6,484	10,782
Printing, stationery and office supplies	4,044	5,921
Equipment rental	4,356	5,912
Freight and postage	5,649	5,298
Telephone and communication	2,247	2,580
Repairs and maintenance	365	442
Miscellaneous	103	361
	390,852	448,435
Excess of revenue over expenditure for the year	135,219	39,595
Retained earnings at beginning of year	509,899	470,304
Retained earnings at end of year	645,118	509,899

DUE FROM PROCESSORS & PRODUCERS:

	1987	1986
Operating:		
Price Equalization	287,378	426,262
Levies	29,847	25,514
Management Fees	20,221	19,796
Quota Exchange & Transfers	2,394	12,363
	339,840	463,935

DUE TO PROCESSORS & PRODUCERS:

Operating:		
Price Equalization	294,872	443,714
Quota Exchange	-	101,180
	294,872	544,894

Notes:

Interest from deposits and licence fee income is credited directly to the General Revenue Fund of the Province and is not reflected in these financial statements.

Accommodation, office furniture, certain office equipment and certain administration services are provided to the Alberta Dairy Control Board by the Province at no cost. In addition, 25% of the costs of enforcement and administration of the regulations under section 23(1) of the Dairy Board Act which amounted to $119,655 ($65,598), are borne by the Province and are not reflected in these financial statements.

Under the Comprehensive Milk Marketing Plan, the Board collects levies from processors on behalf of producers and forwards these to the Canadian Dairy Commission. A portion of the levies may be refunded to producers under certain circumstances. During the year, approximately $21,932,510 ($21,165,904) was collected under the above plan.

T A B L E 1

NUMBER OF MILK PRODUCERS, FLUID PROCESSORS AND DISTRIBUTORS AT MARCH 31, 1987

	1987 Producers (Fluid)	1987 Processors	1987 Distributors	1986 Producers (Fluid)	1986 Processors/ Distributors	1985 Producers (Fluid)	1985 Processors/ Distributors
Calgary	553	2	3	557	3	553	3
Camrose	74	1	4	72	1	74	1
Crowsnest Pass	10	0	2	10	1	10	1
Edmonton	442	4	4	452	4	463	3
Lethbridge	49	2	2	49	2	50	2
Medicine Hat	2	1	3	2	3	-	2
Red Deer	-	0	4	-	3	-	3
Other Areas	194	6	6	201	6	226	6
TOTAL	1324	16	28	1343	23	1376	21

Note 1: 1987 average daily shipments per producer was 1097 litres.

Note 2: The above 1324 fluid producers include those delivering to plants processing industrial dairy products.

T A B L E 2

FLUID MILK CONSUMPTION IN LITRES 1981/82 - 1986/87 (April 1 - March 31)

AREAS	1986/87	1985/86	1984/85	1983/84	1982/83	1981/82
Southern	24,028,928	23,356,130	22,661,872	22,876,864	21,995,564	20,021,274
Central	101,898,116	99,819,463	97,266,735	100,049,764	105,848,724	106,087,722
Northern	129,188,009	129,671,189	129,196,146	130,858,278	134,325,889	136,328,882
TOTAL	255,115,053	252,846,782	249,124,753	253,784,906	262,170,177	262,437,878

Note: Fluid milk consumption includes Homo, Standard, 2%, Skim, Chocolate, Buttermilk and Egg Nog.

T A B L E 3

FLUID CREAM CONSUMPTION IN LITRES, APRIL 1 - MARCH 31, 1981/82 - 1986-87

AREAS	1986/87	1985/86	1984/85	1983/84	1982/83	1981/82
Southern	777,732	742,302	621,412	590,410	554,631	489,579
Central	3,987,056	3,879,448	3,783,461	3,745,535	3,895,806	3,870,624
Northern	4,891,827	4,803,752	4,555,010	4,428,416	4,339,155	4,424,338
TOTAL	9,656,615	9,425,502	8,959,883	8,764,362	8,789,592	8,784,541

T A B L E 4

TOTAL SALES OF FLUID MILK MONTHLY APRIL 1986 TO MARCH 1987 IN LITRES
HOMO, 2%, SKIM, CHOCOLATE, BUTTERMILK AND EGG NOG

	Southern	Central	Northern	Total	Cumulative
April	1,975,299	8,580,470	10,763,320	21,319,089	
May	2,065,855	8,736,989	10,879,808	21,682,652	43,001,741
June	1,835,825	7,718,000	10,107,464	19,661,289	62,663,030
July	1,886,185	7,937,390	9,904,937	19,728,512	82,391,542
August	1,946,827	8,041,823	10,045,905	20,034,555	102,426,097
September	2,034,537	8,475,129	10,952,961	21,462,627	123,888,724
October	2,178,584	8,998,503	11,346,321	22,523,408	146,412,132
November	1,973,251	8,476,372	10,565,793	21,015,416	167,427,548
December	2,089,144	9,086,342	11,788,828	22,964,515	190,391,862
January	2,109,319	8,992,002	11,423,429	22,524,750	212,916,612
February	1,870,469	8,022,850	10,366,513	20,259,832	233,176,444
March	2,063,633	8,832,246	10,042,730	21,938,609	255,115,053

TABLE 5

SALES OF HOMO - MONTHLY APRIL 1986 TO MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	439,096	1,846,256	2,585,549	4,870,901	
May	458,332	1,868,597	2,603,781	4,930,710	9,801,611
June	417,517	1,657,449	2,475,077	4,550,043	14,351,654
July	427,024	1,722,791	2,463,979	4,613,794	18,965,448
August	446,475	1,737,905	2,486,087	4,670,467	23,635,915
September	446,081	1,755,058	2,593,457	4,794,596	28,430,511
October	474,357	1,844,402	2,659,668	4,978,427	33,408,938
November	420,433	1,703,540	2,433,733	4,577,706	37,966,644
December	435,920	1,789,664	2,710,602	4,936,186	42,902,830
January	441,180	1,817,682	2,671,116	4,929,978	47,832,808
February	391,384	1,628,766	2,406,073	4,426,223	52,259,031
March	436,685	1,781,886	2,522,559	4,741,130	57,000,161

TABLE 6

SALES OF 2% PARTLY SKIMMED MILK MONTHLY APRIL 1986 TO MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	1,314,469	5,541,982	6,855,026	13,711,477	
May	1,374,272	5,660,098	6,956,288	13,990,658	27,702,135
June	1,202,869	4,968,980	6,403,232	12,575,081	40,277,216
July	1,240,483	5,123,852	6,269,598	12,633,933	52,911,149
August	1,274,622	5,181,215	6,355,884	12,811,721	65,722,870
September	1,353,682	5,501,007	6,981,113	13,835,802	79,558,672
October	1,443,528	5,845,016	7,246,278	14,534,822	94,093,494
November	1,297,811	5,434,865	6,695,408	13,428,084	107,521,578
December	1,360,627	5,603,495	7,217,368	14,181,490	121,703,068
January	1,415,169	5,869,894	7,298,344	14,583,407	136,286,475
February	1,238,793	5,184,574	6,598,425	13,021,792	149,308,267
March	1,361,706	5,689,390	7,022,003	14,073,099	163,381,366

TABLE 7

SALES OF SKIM MILK MONTHLY APRIL 1986 TO MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	113,586	723,504	769,360	1,606,450	
May	119,278	743,721	776,457	1,639,456	3,245,906
June	104,572	648,443	705,783	1,458,798	4,704,704
July	102,818	627,811	661,692	1,392,321	6,097,025
August	105,349	651,806	688,722	1,445,877	7,542,902
September	116,243	719,392	790,017	1,625,652	9,168,554
October	128,154	768,438	821,085	1,717,677	10,886,231
November	117,853	734,061	770,187	1,622,101	12,508,332
December	115,505	725,086	775,902	1,616,493	14,124,825
January	132,339	822,489	865,107	1,819,935	15,944,760
February	127,854	746,227	800,999	1,675,080	17,619,840
March	137,877	843,741	898,340	1,879,958	19,499,798

T A B L E 8

SALES OF CHOCOLATE MILK MONTHLY APRIL 1986 - MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	94,441	411,713	470,083	976,237	
May	98,499	406,932	454,007	959,438	1,935,675
June	93,905	381,640	430,237	905,782	2,841,457
July	99,787	403,279	424,269	927,335	3,768,792
August	104,705	411,045	426,758	942,508	4,711,300
September	104,942	439,217	506,883	1,051,042	5,762,342
October	116,692	457,506	508,752	1,082,950	6,845,292
November	101,240	404,337	458,484	964,061	7,809,353
December	100,565	409,297	485,536	995,398	8,804,751
January	107,422	433,102	510,902	1,051,426	9,856,177
February	99,944	411,292	486,433	997,669	10,853,846
March	112,724	453,560	512,460	1,078,744	11,932,590

T A B L E 9

SALES OF BUTTERMILK MONTHLY APRIL 1986 - MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	13,707	56,540	83,302	153,549	
May	15,474	57,097	89,269	161,840	315,389
June	16,948	60,944	93,135	171,027	486,416
July	16,031	59,174	85,399	160,604	647,020
August	15,650	59,305	88,454	163,409	810,429
September	13,553	59,865	81,491	154,909	965,338
October	14,099	56,815	79,562	150,476	1,115,814
November	12,899	54,642	73,581	141,122	1,256,936
December	12,010	54,553	77,838	144,401	1,401,337
January	13,092	57,916	76,407	147,415	1,548,752
February	12,494	51,375	75,127	138,996	1,687,748
March	14,621	63,111	87,368	165,100	1,852,848

T A B L E 10

SALES OF EGGNOG MONTHLY APRIL 1986 - MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	-	475	-	475	
May	-	544	6	550	1,025
June	14	544	-	558	1,583
July	42	483	-	525	2,108
August	26	547	-	573	2,681
September	36	590	-	626	3,307
October	1,754	26,326	30,976	59,056	62,364
November	23,015	144,927	134,400	302,342	364,705
December	64,517	504,247	521,582	1,090,346	1,455,051
January	117	(9,081)	1,553	(7,411)	1,447,640
February	-	661	(544)	72	1,447,712
March	20	558	-	578	1,448,290

T A B L E 11

SALES OF FLUID CREAM MONTHLY APRIL 1986 - MARCH 1987 IN LITRES

	Southern	Central	Northern	Total	Cumulative
April	59,175	317,247	384,148	760,570	
May	65,214	332,738	421,984	819,936	1,580,506
June	60,603	310,389	395,502	766,494	2,347,000
July	66,118	342,288	412,748	821,154	3,168,154
August	66,129	335,731	424,297	826,157	3,994,311
September	67,022	339,722	405,689	812,433	4,806,744
October	72,123	356,241	434,873	863,237	5,669,981
November	61,988	309,539	374,745	746,272	6,416,253
December	75,826	392,572	489,521	957,919	7,374,172
January	60,557	313,527	377,280	751,364	8,125,536
February	58,071	305,138	367,659	730,868	8,856,404
March	64,906	331,924	403,381	800,211	9,656,615

T A B L E 12

TOTAL SALES OF MILK AND CREAM IN LITRES BY SIZE OF CONTAINERS APRIL 1986 TO MARCH 31, 1987

	Fluid Milk Products	% of Total	Cream	% of Total	Total all Products	% of Total
20 litres	10,846,578	4,25	183,360	1.90	11,029,938	4.17
4 litres	23,280,921	9.13			23,280,921	8.79
2 litres	180,733,647	70.84			180,733,647	68.26
1 litre	25,971,963	10.18	2,454,307	25.42	28,426,270	10.74
500 mL	4,990,471	1.96	3,083,673	31.93	8.074,144	3.05
250 mL	7,843,369	3.07	1,067,874	11.06	8,911,243	3.37
Creamer			2,867,401	29.69	2,867,401	1.08
Egg Nog						
2 litres	479,526	0.19			479,526	0.18
1 litre	968,578	0.38			968,578	0.36
TOTAL LITRES	255,115,053	100.00	9.656,615	100.00	264,771,668	100.00

T A B L E 13

TOTAL FLUID SALES BY PRODUCT IN LITRES APRIL 1, 1986 TO MARCH 31, 1987

	Southern	Central	Northern	Total
Homo	5,234,484	21,153,996	30,611,681	57,000,101
2%	15,878,031	65,604,368	81,898,967	163,381,366
Skim	1,421,428	8,754,719	9,323,651	19,499,798
TOTAL	22,533,943	95,513,083	121,834,299	239,881,325
Chocolate	1,234,866	5,022,920	5,674,804	11,932,590
Buttermilk	170,578	691,337	990,933	1,852,848
Egg Nog	89,541	670,776	687,973	1,448,290
TOTAL	1,494,985	6,385,033	7,353,710	15,233,728
Cream	777,732	3,987,056	4,891,827	9,656,615
TOTAL	24,806,660	105,885,172	134,079,836	264,771,668

TABLE 14

FLUID MILK PURCHASES BY DISTRIBUTION PLANTS IN LITRES

AREAS	1986/87	1985/86	1984/85
Southern	39,557,008	43,096,159	45,586,568
Central	263,877,654	242,065,415	244,534,804
Northern	226,679,531	217,711,667	219,659,952
TOTAL	530,114,193	502,873,241	505,212,824

INDUSTRIAL MILK PURCHASES BY DISTRIBUTION PLANTS IN LITRES

Southern	67,626	37,757	34,120
Central	26,144,122	24,940,711	27,597,921
Northern	12,501,571	13,088,861	15,365,145
TOTAL	38,713,319	38,067,329	42,997,186
TOTAL ALL AREAS	568,827,512	540,940,570	548,210,010

T A B L E 15

CLASS I SALES, UTILIZATION PERCENTAGE OF QUOTA MILK
JANUARY 1, 1986 - DECEMBER 31, 1986

Month	Class 1 Sales 1986	% Utilization 1986	Class 1 Sales 1985	% Utilization 1985	Class 1 Sales 1984	% Utilization 1984
January	22,588,988	77.81	22,138,428	76.12	22,286,866	77.08
February	20,762,390	79.16	20,178,964	76.98	20,251,428	74.88
March	21,481,529	73.95	21,604,775	74.29	22,724,650	78.39
April	21,682,124	76.95	21,498,881	76.62	20,271,541	72.27
May	22,068,287	75.75	21,673,707	74.38	21,785,281	74.96
June	20,021,508	70.97	19,761,624	70.31	20,503,486	72.80
July	20,044,512	69.20	19,906,713	69.01	19,516,358	67.29
August	20,499,421	70.75	21,451,142	74.54	21,271,697	73.47
September	21,850,038	78.06	20,512,479	73.70	19,865,686	70.87
October	22,885,652	79.21	22,564,070	78.42	22,320,980	77.21
November	21,225,910	75.57	22,278,457	79.47	22,186,783	79.08
December	22,838,874	78.30	22,107,935	76.28	21,058,739	72.36
TOTAL	257,949,233	75.44	255,677,175	74.99	254,048,495	74.22

T A B L E 16

MILK AND CREAM PRODUCTION BY SECTORS EXPRESSED IN KILOGRAMS OF BUTTERFAT OR EQUIVALENT

APRIL 1, 1986 - MARCH 31, 1987

SECTOR	1986/87	1985/86	1984/85	1983/84	1982/83
* Fluid	19,112,217	18,103,438	18,528,375	17,778,716	18,114,705
Industrial	1,449,584	1,419,995	1,604,114	1,495,613	1,638,581
TOTAL MILK	20,561,801	19,523,433	20,132,489	19,274,329	19,753,286
INDUSTRIAL CREAM	787,004	870,111	1,059,897	1,193,019	1,506,802
TOTAL PRODUCTION	21,348,805	20,393,544	21,192,386	20,467,348	21,260,088
Percent Change from Previous Year	+ 4.68	- 3.77	+ 3.54	- 3.77	+ 2.67

* Converted to Butterfat using 3.6 kilograms of B.F. per hectolitre of milk.

T A B L E 17

GRADUATED ENTRY PLAN STATISTICS

	1986	1985	1984	1983	1982	1981
Applications Received	58	56	18	40	106	317
Applications Accepted	0	0	0	0	42	181
Initial Allotment - Litres	0	0	0	0	7,245	30,985
2nd year daily allotment - Litres	0	0	0	3,865	15,030	12,155
3rd year daily allotment - Litres	0	0	2,435	14,250	12,290	18,880
TOTAL LITRES (By Year)	0	0	2,435	18,115	34,565	62,020
Total Applications Accepted Since January 1, 1975	930	930				
Total Litres to Date	311,520	311,520				

T A B L E 18

UNUSED MARKET SHARE QUOTA

EXCHANGE FIGURES

MONTH	1986-87		1985-86		1984-85		1983-84	
	$ MCP	KG'S SOLD	$ MCP	KG'S SOLD	$ MCP	KG'S SOLD	$ MCP	KG'S SOLD
October	8.50	5,637	8.50	9,755	6.00	5,195	6.00	5,745
November	9.50	13,575	8.50	21,129	6.00	11,759	4.50	10,982
December	10.00	3,314	8.50	15,017	6.50	957	6.00	11,564
January	10.00	3,244	8.50	6,148	6.00	1,793	6.00	10,903
February	12.00	10.074	9.00	14,562	6.50	8,482	6.00	20,503
March	12.00	2,698	10.00	9,224	7.00	2,504	6.50	5,900
April	13.00	2,754	9.00	27,766	7.00	5,043	7.00	20,129
May	16.00	12,127	8.00	40,842	8.05	11,214	7.00	29,713
June	18.00	14,275	6.00	49,146	8.50	40,776	6.00	56,300
July			-	0	-	0	-	0
TOTAL WEIGHTED AVERAGE PRICE			7.94	193,589	7.56	87,723	6.21	171,739

T A B L E 19

USED MARKET SHARE QUOTA

EXCHANGE FIGURES

MONTH	1986-87		1985-86		1984-85		1983-84	
	$ MCP	KG'S SOLD	$ MCP	KG'S SOLD	$ MCP	KG'S SOLD	$ MCP	KG'S SOLD
October	6.00	377	6.00	824	3.00	182	-	0
November	7.50	1083	6.00	2,830	1.50	1,110	-	0
December	8.00	198	6.50	763	1.50	163	-	0
January	8.00	160	6.50	2,222	3.00	1,064	1.00	993
February	8.50	3509	6.00	3,214	3.00	995	2.00	4,794
March	8.50	1298	5.00	1,788	4.00	462	-	0
April	10.00	456	6.00	7,516	4.00	1,494	2.10	621
May	12.00	1036	-	0	-	0	3.00	3,902
June	13.00	943	6.00	8,792	6.00	11,298	-	0
July			-	0	-	0	-	0
TOTAL WEIGHTED AVERAGE PRICE			5.99	27,949	4.04	16,768	2.29	10,310

T A B L E 20

MILK PRICES: CLASS I, II, III, QUOTA AND OVER-QUOTA

1985

	Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
Class I	49.11	49.11	50.09	50.09	50.09	50.09	50.09	50.09	50.58	51.07	51.07	51.07
Class II	39.65	39.65	39.65	39.65	39.65	39.65	39.65	40.18	40.68	40.68	40.68	40.68
Class III	37.85	37.85	37.85	37.85	37.85	37.85	37.85	38.38	38.88	38.88	38.88	38.88
Quota Milk Price	46.50	46.55	47.00	47.27	47.03	46.55	46.42	47.13	47.57	48.49	48.58	48.25
Over-Quota Milk Price	38.21	38.14	38.22	38.06	38.18	38.24	38.26	38.64	39.22	39.16	39.11	39.30

1986

	Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
Class I	51.07	51.07	51.07	50.55	50.09	50.09	50.09	50.09	50.09	49.11	49.11	48.13
Class II	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	41.48	41.48	41.48	41.48
Class III	38.88	38.88	38.88	38.88	38.88	38.88	38.88	38.88	39.68	39.68	39.68	39.68
Quota Milk Price	48.40	48.60	47.94	47.91	47.44	46.86	46.72	47.10	47.84	47.21	46.87	46.30
Over-Quota Milk Price	39.19	39.24	39.26	39.23	39.22	39.12	39.18	39.98	39.98	40.05	40.13	39.94